

WHITE RIVER SCHOOL DISTRICT No. 416
Pierce County, Washington
September 1, 1992 Through August 31, 1994

Schedule Of Findings

1. Internal Control Over Associated Student Body (ASB) Funds At High School Student Store Needs Improvement

During the audit, we noted the high school student store did not prepare or retain adequate records to establish that all receipts received for the sale of merchandise were deposited timely and intact.

Also, we were unable to determine if recorded sales appeared reasonable for the level of purchases. We were unable to obtain any year-end physical inventory records for the years being audited.

Failure to adequately reconcile deposits to the daily sales and regularly perform a physical inventory increase the risk that an irregularity may occur and not be detected.

Washington Administrative Code 392.138.045 states in part:

. . . (3) the fiscal and accounting records of associated student body program moneys shall constitute public records of the school district, shall be available for examination by the state auditor, and shall be preserved in accordance with statutory provisions governing the retention of public records.

We also noted that the district has not adopted policies or procedures to control the operation of the student store.

We recommend the district revise the current receipting procedures at the student store to document an audit trail which demonstrates that all sales made for the day are deposited intact. We also recommend that all records relating to the student store are retained in accordance with the statutory provisions.